

**KANAB CITY COUNCIL MEETING
SPECIAL MEETING
MAY 17, 2010
KANE COUNTY COMMISSION CHAMBERS**

PRESENT: Mayor Nina Laycook, Council Members Shaun Smith, Tony Chatterley, James Sorenson, Steve Mower and Ed Meyer, City Attorney Van Mackelprang, City Manager/Recorder Duane Huffman and City Treasurer RaeLene Johnson.

Prayer was offered by Van Mackelprang.

CONSIDER MOU BETWEEN BLM AND KANAB CITY: City Attorney Mackelprang explained the purpose of the agreement between the BLM and Kanab City. The purpose is to work together to provide utility and roadway improvements for the new Grand Staircase-Escalante National Monument administrative site. The City will construct the storm drain since it is in the City's right-of-way and not on property owned by the BLM as recommended by Alpha Engineering. It was noted that there needs to be a cul-de-sac because UDOT doesn't want another outlet onto a State Highway. They want the outlets to be at least 500 feet apart. A motion was made by Council Member Sorenson and 2nd by Council Member Chatterley to accept the Memorandum of Understanding between the Bureau of Land Management and the City of Kanab for the purpose of constructing infrastructure as stated in the MOU. Motion passed unanimously.

DISCUSS BUDGET FOR FISCAL YEAR 2010/2011: City Manager Huffman explained the possibilities of what needs to be done to start the new year. Sales taxes are down. They are down throughout the State. He recommended a 10% decrease across the board in every department. These are a few specific reductions that could be done: Travel, Personnel, Benefits, Furloughs, freezing merit pay increases and reduction in force. The way to increase some of the revenue could be a 1% tax on transient room tax, an energy tax up to 6%, business licenses, and property tax increase. Council Member Smith ask if the Council wanted to tax our own residents. He felt the room tax would tax the tourists. Council Member Mower and Chatterley said they were not in favor of a property tax increase. City Manager Huffman recommended that all full time employees be treated equally. If there is a pay cut or cut in benefits and etc. it needs to be equal for all. It was suggested that all questions concerning the budget be directed to the City Manager instead of the Council or department heads. It was also recommended that the City Manager get with the newspaper to make sure what they print about the budget is correct. A tentative budget will be on the next Council agenda for adoption.

A motion to adjourn was made by Council Member Meyer and 2nd by Council Member Smith. Motion passed unanimously.

MAYOR

NINA LAYCOOK

RECORDER DUANE HUFFMAN

